

## Message Text

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PAGE 01 LONDON 07109 091736Z

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ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 CAB-02 CIAE-00 COME-00 DODE-00

DOT-00 INR-07 NSAE-00 FAA-00 PM-03 H-02 L-02 NSC-05

PA-01 PRS-01 SP-02 SS-15 USIA-06 SSO-00 /066 W

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P 091727Z MAY 75

FM AMEMBASSY LONDON

TO SECSTATE WASHDC PRIORITY 1016

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E.O. 11652: N/A

TAGS: EAIR, UK

SUBJ: CIVAIR - PANAM COMMISSION SALES

REF: STATE 106713

1. PANAM DELIVERED LETTER REFERRED TO IN REFTEL TO BROWN, DEPARTMENT OF TRADE, MORNING MAY 9. PREVIOUS DAY BROWN HAD SENT PANAM ANOTHER TELEX WARNING CARRIER THAT UNLESS IT CONFIRMED TO DOT BY MAY 15 THAT IT INTENDS CONFORM TO "VARIATION" IMPOSED IN PERMITS, TRADE SECRETARY WOULD HAVE TO CONSIDER WHETHER TO REVOKE OR SUSPEND ANY OR ALL OPERATING PERMITS. PRESS QUOTES DOT SPOKESMAN AS SAYING:

"PANAM HAS BEEN WARNED THAT FAILURE TO CONFIRM THAT THEY WILL COMPLY WITH THIS VARIATION COULD LEAD THE SECRETARY OF STATE FOR TRADE TO CONSIDER WHETHER HE SHOULD REVOKE OR SUSPEND ANY OR ALL OF THEIR OPERATING PERMITS.

"THIS WOULD BE A VERY SERIOUS STEP TO TAKE, BUT THE DOT BELIEVES IT IS ESSENTIAL THAT ALL AIRLINES OPERATE STRICTLY IN ACCORDANCE WITH THEIR PERMITS."

PANAM, WHICH HAS THUS FAR BEEN PLAYING PROBLEM VERY LOW KEY TO PERMIT UKG BACK-OFF FROM POSITION IT HAS TAKEN WITH MINIMAL EMBARRASSMENT, CONSIDERED ITSELF OBLIGED ANSWER DOT STATEMENT WITH FOLLOWING BRIEF STATEMENT OF ITS OWN:

"WE ARE SUBMITTING OUR RESPONSE TO THE DOT IN THE MORN-

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PAGE 02 LONDON 07109 091736Z

ING.

"IT WILL INCLUDE THE CHALLENGING OF CERTAIN ASPECTS OF THE DOT STATEMENT.

"THE U.S. STATE DEPARTMENT IS WATCHING THE SITUATION CAREFULLY."

2. DEPUTY ASSISTANT SECRETARY WALDMANN RAISED PANAM PROBLEM WITH HUBBACK AND ROGERS ON MAY 8. EMBOFF HAD ALSO DISCUSSED ISSUE ON MAY 7 WITH CAA MEMBER LAWRIE AND CAA STAFFERS COLEGATE AND KEAN. IN EACH OF THESE CONVERSATIONS WE MADE POINTS CONTAINED PARA 4 REFTEL. IN NONE OF THESE DISCUSSIONS, HOWEVER, DID WE RECEIVE ANY INDICATION THAT BRITISH WERE SERIOUSLY CONSIDERING BACKING AWAY FROM EXPRESSED INTENTION TO TRY TO ENFORCE COMMISSION LEVELS EXTRA-TERRITORIALLY. ROGERS SEEMED TO THINK THAT BRITISH HAD MOST EUROPEAN GOVERNMENT SUPPORTING THEM EVEN ON EXTRA-TERRITORIAL ISSUE. WOULD BE USEFUL FOR US TO HAVE A RUNDOWN TO EXTENT KNOWN, ON WHERE OTHER GOVERNMENTS STAND ON EXTRA-TERRITORIAL ISSUE AND WHETHER ANY HAVE ACTUALLY THREATENED REVOKATION OF PANAM OPERATING PERMISSION.

3. WE ALERTED FCO (ATKINSON, ACTING HEAD MARINE AND TRANSPORT DEPARTMENT) ON MAY 8 AS TO SERIOUSNESS WITH WHICH USG VIEWS PROBLEM. WE WILL FOLLOW THAT UP TODAY WITH LETTER FROM RCAA TO ATKINSON AND AMERICAN DESK OFFICER ENCLOSING COPY OF PANAM LETTER AND MAKING POINTS OF REFTEL IN WRITING. WE BELIEVE WE SHOULD ALSO SEND NOTE VERBALE EARLY NEXT WEEK AFTER PANAM LETTER HAS BEEN FURTHER CONSIDERED IN UKG. REQUEST INSTRUCTIONS TO DO SO AND ANY ADDITIONAL ARGUMENTATION OUR NOTE SHOULD INCLUDE.

RICHARDSON

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CIVIL AVIATION, AIR TRANSPORTATION, DIPLOMATIC COMMUNICATIONS, PASSENGER FARES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 09 MAY 1975  
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**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ShawDG  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Unique ID:** 00  
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